McKnight’s
LONG-TERM CARE NEWS
First source for news across the long-term care continuum

Six readership surveys over a 12 year period prove conclusively that readers prefer McKnight’s Long-Term Care News.

“Best News Section” award from the American Society of Healthcare Publications Editors.

McKnight’s Long-Term Care News: Important to advertisers because we’re important to readers.

NEW from McKnight’s — Assisted Living magazine
See inside to contact your representative today
The Industry’s Only Real News Source

*McKnight’s Long-Term Care News* reports news about the industry events that affect the way patient care is delivered in long-term care institutions. We examine the people, organizations and institutions working to the benefit or detriment of the long-term care industry, and report on developments that affect operations, whatever they are. We try to give our readers the news, information and perspective they need to make informed caregiving and business decisions in an increasingly complex operating environment. We present industry news and analysis and seek to lead the thought and the debate in long-term care.

**News Needed Now**

*Providers never needed news more.* Our industry is experiencing the most dramatic change it has seen since the dawn of Medicare and Medicaid nearly four decades ago. Changes mandated by government in the areas of staffing, reimbursement, payment and policies are being debated weekly, and they directly affect how facilities are able to operate. Practitioners in this field need to know the forces at work that will affect their residents, facilities, businesses and jobs. They need *McKnight’s Long-Term Care News* and so do you as an advertiser.

**Frequency of Publication**

*Mcknight’s Long-Term Care News* is published 16 times a year — every three weeks — with a 17th issue, our Annual Industry Directory, published in August. Our publishing cycle was expanded in 1999, from monthly issuance. Our readers demanded more issues to effectively cover changes in the market. It has met with great reader acceptance, making for our “readership leadership.”

**Benefit to Advertisers**

Advertisers now need fewer long-term care industry magazines to cover the market through advertising because *McKnight’s Long-Term Care News* generates needed ad impressions through the frequency normally requiring a two publication buy … and saves you precious dollars!
**Key Issues Covered**

**Reimbursement**
- Provider payments
- Medicaid and Medicare policy directions
- Regulations
- Survey, certification and enforcement updates
- Paperwork compliance

**Legal Developments**
- Lawsuits by and against facilities
- Compliance
- Liability

**Marketplace Changes**
- Patient care strategies
- New business directions
- Information management

**News Section**
- Developments in patient care procedures
- Centers for Medicare and Medicaid Services (CMS — formerly HCFA) policies
- Government regulatory actions
- Nursing shortage and staff turnover — and retaining employees.
- Legal environment
- Policy positions of the major associations
- Health statistics on aging residents

**Business Section**

**Successful Facility Operations**
*Only McKnight's Long-Term Care News offers the industry a dedicated business section. Written specifically to serve the informational needs of operations management, this section covers topics like:*
- Financing the cost of expansion
- Leading long-term care chains
- Managing the services nursing homes offer
- Mergers, acquisitions and current per bed transaction prices
- Recent legal decisions
- Building and development trends

**People and Opinions**
Readers and our editors have their say!
* A lighter “read,” sometimes funny, often enlightening, sometimes shockingly blunt, where there’s often a surprise.

**Columns Include:**
- Q & A
- A discussion with movers and shakers
- Worth Repeating
- Notable quotes
- Having My Say
- Intelligent practitioners
- Editorial

*Editorial*
*Editor Jim Berklan comments*

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**The Long-Term Care Continuum**

**McKnight’s Long-Term Care News - Coverage**

Low Acuity to High Acuity: McLatch's Long-Term Care News provides coverage across the entire long-term care continuum.
Circulation, Market Penetration

Administrators, Directors of Nursing, and Chain Executives in Nursing Homes, CCRCs, and Hospitals with LTC Units

McKnight’s reaches people who buy goods and services for long-term care facilities. Reaching over 46,000 readers, we hit top managers in both the operations and patient care sides of long-term care. Originally culled from state lists of those with licenses to operate facilities, we grew from 16,000 administrators in April 1980, our first issue, to our current total. Administrators, directors of nursing, medical directors and consulting pharmacists, too, now all enjoy McKnight’s Long-Term Care News. Total market penetration of facilities as well as the home and regional offices of the major chains is unmatched by any publication serving the field.

We look for different institutional settings where long-term care is being offered and new opportunities to get new readers involved with our magazine, to give advertisers additional opportunities to sell to more market segments. We look ahead to see how nursing home operations are changing, and what new kinds of readers might need our magazine.

Call us today and we’ll share some of the more creative methods we use to make sure we’re reaching the right people.

The types of facilities reached are nursing homes, CCRCs, and hospitals with affiliated long-term care units plus the headquarters and regional offices of the 200 largest chains and operating companies in long-term care.

See our enclosed BPA Statement for a detailed breakdown of our readers’ titles and the magazine’s distribution patterns among the facilities into which it is sent.

Nursing Facilities

The nursing home market segment currently represents the largest component of the long-term care continuum. McKnight’s Long-Term Care News reaches 21,216 administrative titles and 14,238 Directors of Nursing titles in approximately 18,139 (unaudited) of these facilities. This number includes facilities that are licensed to participate in the Medicaid and Medicare programs, as well as all private facilities that do not depend on government in any way to finance resident care.

According to CMS, more than $99 billion was spent on long-term care in the year 2001. If personal healthcare expenditures were expressed in terms of one dollar, nine cents would have been spent on nursing home care, while three cents would have been spent for home care and other personal (custodial) care.

In 2002, nearly 20% of McKnight’s Long-Term Care News’ readers offered assisted living services in their facilities. Another 14% offered “postacute care services” (more hospital-like), and 11% offered special services (such as Alzheimer’s and dementia care programs).
Nursing homes have become a “microcosm” of the long-term care industry, providing several of the services that can be found in other, non-affiliated free-standing facilities. Competition for residents intensified when government expanded payment for care under the Medicare program; thus nursing homes began providing more post-acute care services to capture a share of those new monies.

**LTC Hospitals / Hospital-Based LTC Units**
Approximately 13% of all skilled nursing facilities are hospital based — roughly 1,754. They tend to be far smaller units than traditional free-standing nursing homes, but they deliver higher-acuity care to more medically complex residents. They are important sources of business to marketers of many patient care products. McKnight’s Long-Term Care News reaches 779 administrators and 6,99 directors of nursing in 1,387 (unaudited) of these facilities.

**CCRCs**
By some estimates, there are approximately 2,200 continuing care retirement communities (CCRCs), with about 621,000 units currently operating in the United States. They are large complexes resembling college campuses that typically offer a wide variety of long-term care services. McKnight’s Long-Term Care News reaches 718 (unaudited) of those facilities with circulation to 1,367 Administrators and DONs working in them. CCRCs offer a comprehensive array of services tailored to individual residents’ needs, abilities, and preferences. Typical services and amenities may include nursing and other health services, meals, housekeeping, transportation, emergency help, personal assistance, and recreational and educational activities. In essence, independent living, assisted living, and nursing care are available within the building or campus.

**Assisted Living**
McKnight’s has just launched a new publication Assisted Living which reaches 18,000 administrators, directors of nursing, and executives of chains that operate groups of facilities nationwide. Once fully distributed we will reach into 12,000 individual facilities (unaudited) of these units.

Assisted living provides a special combination of residential housing, personalized supportive services and healthcare: These residential settings maximize independence, but do not provide skilled nursing care. They are designed to meet the individual needs of those requiring help with activities of daily living, but do not need the skilled medical care provided in a nursing home.

**Services**
Nursing homes began providing this service to expand access to private pay revenues. Many nursing home operators see it as a way to provide a valuable service in the community, and allow transfers to the nursing home when and if the assisted living residents should need it (which in many cases they will). Advertisers interested in the nursing home and assisted living segments can reach both with Assisted Living and McKnight’s Long-Term Care News.

**Industry Insight, Intelligence in McKnight’s**

*More demand*
“We have an aging population that will need new and better-sailed long-term care options.”
— Tom Scully, CMS Administrator, on what customers will expect from this growing field

*More diversity*
“Today’s long-term care housing offerings will look like boring conformity compared to what we will see in 20 years.”
— Robert G. Kramer, executive director of the National Investment Center for the Seniors Housing and Long-Term Care Industries, on diversified long-term care settings that will appear in the coming years

*More technology*
“Technology will be a major factor in improving the quality of life for our customers.”
— Larry Minnix, president and CEO of the American Association of Homes and Services for the Aging

*Survey: LTC distributors’ growth rebounds best*
Medical products distributors in the long-term care sector made the biggest growth rebound in the distribution sector in 2001, according to results of a new survey.

The Health Industry Distributors Association’s “2002 Distributor Financial Performance Survey” found that long-term care distributors grew at an 11% clip in 2001, compared with just 3% in 2000. Average growth for all distributors was 12%, beating the forecast of 9% made by participants in last year’s survey and the 10% actually recorded in 2000, HIDA said.

The survey is an annual analysis of the performance, financial condition and key operating characteristics of the healthcare products distribution industry. Its report is based on data collected through HIDA member distributors; it allows distributors to compare their company performance against average industry statistics.

To obtain more information or purchase the report, visit http://hidanetwork.com.

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### More readers get McKnight’s

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<thead>
<tr>
<th>Type</th>
<th>Market penetration</th>
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<tbody>
<tr>
<td>NLTCN PR</td>
<td>80%</td>
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<tr>
<td>NLTCN NH</td>
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<tr>
<td>CLTC PR</td>
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<tr>
<td>CLTC NH</td>
<td>71%</td>
</tr>
<tr>
<td>NHI PR</td>
<td>79%</td>
</tr>
<tr>
<td>NHI NH</td>
<td>78%</td>
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Source: Readex Preference Study, 2003

### Effective circulation

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<th>Type</th>
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<td>NHI PR</td>
<td>42,088</td>
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<tr>
<td>NHI NH</td>
<td>35,719</td>
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</table>

Source: BPA circulation statements; Advertisers interested in nursing home distribution, 2003
Readership

Why McKnight's is valuable to advertisers

Readership data documents the “bond” a magazine has established with its readers. You simply shouldn’t buy into publications that can’t prove that bond exists. McKnight’s Long-Term Care News invests in regular readership studies and thereby invests in building that bond. We’ve been investing in our product to assure our advertisers that readers — their customers and prospects — respond positively to the editorial environment provided. McKnight’s Long-Term Care News has invested in six Readex Readership Surveys over 12 years, and for all those years readers’ answers to questions about which publication they prefer have been consistent…

Readers choose McKnight’s — overwhelmingly — in every survey, as the one publication they would read about the long-term care field if they could read only one. Even in the few studies competitors have done, we finish first or second!

Our competitors almost always recommend us when asked which other magazine an advertiser should buy!

Two factors make these surveys especially valid:
1) Using a sample of over 650 readers (3x larger) than would normally be required to achieve valid and acceptable results, and;
2) An astounding average response rate — 60% over all five surveys!

Summary of reader surveys over the past 10 years

<table>
<thead>
<tr>
<th>Date</th>
<th>Readers surveyed</th>
<th>Response rate</th>
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<tbody>
<tr>
<td>May 1993</td>
<td>750</td>
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<td>May 1995</td>
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<tr>
<td>July 1997</td>
<td>670</td>
<td>64%</td>
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<td>April 1999</td>
<td>670</td>
<td>58%</td>
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<tr>
<td>July 2001</td>
<td>840</td>
<td>59%</td>
</tr>
<tr>
<td>June 2003</td>
<td>650</td>
<td>34%</td>
</tr>
</tbody>
</table>

More Personal Copies

More of your customers and prospects get their own copy of McKnight’s Long-Term Care News.

18% more than CLTC
17% more than Pr
22% more than NH

Source: Readex Preference Study, 2003

Here are some of the highlights of the most recently conducted Readex Readership Survey, completed in June 2003.

Better Reader Penetration!
More of your customers and prospects say they regularly receive McKnight’s Long-Term Care News...
... 13% more than CLTC
... 19% more than Nursing Homes
... 19% more than Provider

More Issues Read More Often!
More readers read 3 out of 4 issues of McKnight’s Long-Term Care News than the other publications serving the field...
... 17% more than CLTC
... 20% more than Nursing Homes
... 15% more than Provider

Editorial Rated Better!
McKnight’s Long-Term Care News editorial product was rated Excellent/Very Good by 57% of the respondents, versus...
... 34% for CLTC
... 43% for Provider
... 36% for Nursing Homes

When Excellent alone is considered, 20% of readers responding rated us excellent versus...
... only 18% for Provider
... only 11% for CLTC
... only 9% for Nursing Homes

Helps Anticipate Problems!
McKnight’s Long-Term Care News beat all others at helping this industry anticipate problems
McKnight’s — 23%
Provider — 14%
Nursing Homes — 13%
CLTC — 11%

Most Useful of All!
28% of readers responding rated McKnight’s Long-Term Care News the most useful long-term care publication they get versus...
... only 18% who said Provider was most useful
... only 15% who said CLTC was most useful
... only 11% who said Nursing Homes was most useful
Readership studies

McKnight’s Overall is Preferred By Readers!

38% of readers responding rated McKnight’s Long-Term Care News the long-term care magazine they prefer overall, versus ...

- only 22% for Provider
- only 11% for CLTC
- only 13% for Nursing Homes

Readers of all four magazines prefer McKnight’s

40% of respondents to the survey said they receive all four publications. Some of the survey results appear below.

These readers can be thought of as the best informed people in our industry. They seek access to the widest variety and largest amount of industry information. The more familiar readers are with the industry magazines they receive, the more often they select McKnight’s Long-Term Care News as the one that serves them best!

Here is what the research shows:

McKnight’s is read more thoroughly than the other industry magazines.

- 24% said they read all or almost all of McKnight’s
- 22% for Provider
- 15% for CLTC
- 18% for Nursing Homes

Far more readers of all four magazines rated McKnight’s best (excellent or very good) at covering issues most important to your day-to-day work.

- 67% chose McKnight’s versus:
- 64% for Provider
- 53% for CLTC
- 56% for Nursing Homes

McKnight’s is the one publication they would get if they could choose only one.

- 38% more than CLTC
- 22% more than Pr
- 20% more than NH

More of your customers choose McKnight’s,

More of your customers and prospects say they regularly receive McKnight’s Long-Term Care News.

- 19% more than CLTC
- 23% more than Pr
- 20% more than NH

Preferred for Product/Services information

McKnight’s Long-Term Care News is preferred over the others for information on products and services by readers of all four magazines.

- McKnight’s 22%
- CLTC 7%
- Pr 4%
- NH 11%

Readers choose McKnight’s if choosing only one

- McKnight’s 38%
- CLTC 11%
- Pr 13%
- NH 22%

Looked through 4 out of 4 of last issues

Readers who receive all four industry publications say they read or “look through” more issues of McKnight’s on a regular basis than other industry magazines.

- McKnight’s 56%
- CLTC 26%
- Pr 28%
- NH 56%

Preferred for Product/Services information

McKnight’s Long-Term Care News is preferred over the others for information on products and services by readers of all four magazines.

- McKnight’s 22%
- CLTC 7%
- Pr 4%
- NH 11%
2004 Rates and Specifications

Display Advertising Rates

The following advertising rates are effective with the Jan. 11, 2003, issue.

<table>
<thead>
<tr>
<th>Tabloid Page – Black &amp; White Rates</th>
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<tr>
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Standard size – Black & White Rates

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Color Rates

Additional costs to black & white space rates.

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<thead>
<tr>
<th>Tabloid Page – Black &amp; White Rates</th>
<th>Per Page*</th>
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<tbody>
<tr>
<td>Standard color, per color</td>
<td>$940</td>
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<tr>
<td>Matched PMS color, per color</td>
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<td>Four color</td>
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<tr>
<td>Metallic color</td>
<td>Contact Account Manager</td>
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Note:

- The same rates apply to any size set on a page.

Cover and Special Position Rates

Cover and special position charges are in addition to black & white space and color rates.

- Tabloid Page – Standard (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard Page (7" x 10")
- Tabloid Page – Bleed (Live Area: 7" W x 10" D)
- Standard Page – Bleed (Live Area: 7" W x 10" D)
- Tabloid Page – Standard 2/3 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 2/3 Page (7" x 10")
- Tabloid Page – Standard 1/2 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/2 Page (7" x 10")
- Tabloid Page – Standard 1/3 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/3 Page (7" x 10")
- Tabloid Page – Standard 1/4 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/4 Page (7" x 10")
- Tabloid Page – Tabloid 1/6 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/6 Page (7" x 10")
- Tabloid Page – Tabloid 1/3 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/3 Page (7" x 10")
- Tabloid Page – Tabloid 1/2 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 1/2 Page (7" x 10")
- Tabloid Page – Tabloid 3/4 (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard 3/4 Page (7" x 10")
- Tabloid Page – Tabloid Full (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard Full Page (7" x 10")
- Tabloid Page – Tabloid Spread (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard Spread (7" x 10")
- Tabloid Page – Tabloid Spread – Bleed (Trim Size: 7 5/8" W x 10 1/2" D)
- Standard Spread – Bleed (7" x 10")

Notes:

- Additional charges to black & white space rates.
- For quotes on inserts larger than 8 pages or regional inserts, contact account manager.

Inserts and Postcards

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<th>Tabloid Page – Black &amp; White Rates</th>
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<th>Per Spread*</th>
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Inserts are charged at the regular black & white earned frequency rate per page less applicable discount.

- Page insert – less 10% discount
- Page insert – less 25% discount
- Page insert – less 50% discount
- Page insert – less 75% discount

For quotes or inserts larger than 8 pages or regional inserts, contact account manager.